

State of Alaska FY2003 Governor's Operating Budget

Department of Community & Economic Development Occupational Licensing BRU/Component Budget Summary

BRU/Component: Occupational Licensing

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

Contact: Catherine Reardon, Director

Tel: (907) 465-2538 **Fax:** (907) 465-2974 **E-mail:** Catherine_Reardon@dced.state.ak.us

Component Mission

To ensure that competent professional and commercial services are available to Alaska consumers.

Component Services Provided

OCCUPATIONAL LICENSING: Administer the following 36 occupational licensing programs:

Licensing Boards assisted by the Division:

Architects, Engineers and Land Surveyors

- Athletic Commission
- Barbers and Hairdressers
- Chiropractic Examiners
- Direct-Entry Midwives
- Dispensing Opticians
- Dental Examiners
- Marine Pilots
- Marital and Family Therapy
- Medical
- Nursing
- Optometry
- Pharmacy
- Physical and Occupational Therapy
- Professional Counselors
- Psychologist and Psychological Associate Examiners
- Public Accountancy
- Real Estate Appraisers
- Real Estate Commission
- Social Workers
- Veterinary Examiners
-

Licensing Programs administered directly by the Division:

Acupuncture

- Audiologists and Speech-Language Pathologists
- Big Game Guides and Transporters
- Collection Agencies
- Concert Promoters
- Construction Contractors
- Dietitians
- Electrical and Mechanical Administrators
- Geologists
- Hearing Aid Dealers
- Morticians
- Naturopaths
- Nursing Home Administrators
- Nutritionists
- Underground Storage Tank Workers
-

Perform the following functions for over 130 occupations within the 36 programs listed above:

Distribute application forms for initial licensure and renewal by mail and Internet

- Respond to questions from applicants, other states and non-governmental organizations regarding Alaska's licensing laws
- Review applications to determine if qualifications have been met
- Determine whether applicants are in arrears on child support or student loan repayment
- Verify Alaska licenses for the licensing agencies of other states
- Write and/or administer professional examinations
- Investigate complaints of incompetent or illegal activity by professionals
- Prepare formal accusations against licensees when investigations reveal evidence of violations of licensing laws
- Present the legal case against licensees charged with violations
- Negotiate settlements with licensees whom the division believes violated the law
- Report disciplinary actions taken against Alaska licensees to national databanks
- Organize licensing board meetings
- Assist licensing boards in writing regulations
- Represent the state in appeals of license denials, lawsuits and appeals of disciplinary actions
- Provide public lists of licensees on CD-ROM, paper, and through Internet search of the computer databases

BUSINESS LICENSING: License approximately 74,000 businesses to engage in commerce in Alaska. At the start of FY2001, 1,711 businesses held tobacco endorsements attached to their licenses permitting retail sale of tobacco products.

To administer the Business Licensing Program, the division:

- Distributes application forms for initial licensure and renewal by mail and Internet
- Reviews applications for completeness and legal sufficiency
- Collects \$50 for each two-year license and \$25 for each endorsement permitting retail sale of tobacco products
- Classifies businesses according to their primary activities
- Issues licenses at service counters in Juneau, Fairbanks and Anchorage
- Issues and renews licenses via the Internet
- Researches the licensing history of Alaska businesses
- Works to bring unlicensed businesses into voluntary compliance with the law
- Suspends tobacco sales endorsements of businesses convicted of selling tobacco to minors

Provides public lists of licensed businesses on CD-ROM, paper and through Internet search of the computer database

Component Goals and Strategies

1. Allow qualified individuals to work in their chosen fields: earning a living, creating new businesses and providing the skilled workforce necessary for state development
 - Make licensing information easy to obtain and understand
 - Issue licenses correctly and promptly
 - Remove unnecessary barriers to licensure
 - Keep license fees as low as possible while meeting the division's legal responsibilities
2. Protect public health and welfare by safeguarding the quality of services provided by Alaska's licensed professionals
 - Investigate allegations of violations of licensing laws thoroughly and promptly
 - Sanction licensees who violate the law in an appropriate manner
 - Provide licensing boards with resources necessary to regulate effectively

Key Component Issues for FY2002 – 2003

PUBLIC RECORD REQUESTS:

An Attorney General's opinion stating that division files related to investigations of occupational license holders may be public documents has resulted in lengthy reviews of voluminous investigative files. Witnesses' rights to privacy and public rights to government records must be weighed for each document in a file. The division expects the number of public record requests to increase as employers and parties to lawsuits become aware that investigative information is available. The division is having difficulty responding to the public record workload and other division activities are adversely affected.

ENFORCEMENT OF NEW TOBACCO SALES LAW

The division issues business license endorsements to businesses that sell retail tobacco products and the division suspends the endorsements of businesses convicted of sale to minors. In 2001, the law was amended to require businesses to purchase separate tobacco endorsements for each location where tobacco is sold. The division is helping businesses comply with the law and informing them of the penalties for improper tobacco sale. The Department of Health and Social Services is dedicating substantial resources to enforcement of tobacco sales laws. This effort will result in significantly more convictions. The division will respond by assigning investigators to prepare cases for suspension hearings and negotiate settlement agreements. We also anticipate an increased caseload for the hearing officer.

VOLATILITY OF FEES:

AS08.01.065(c) mandates that the department set license fees for each occupation at a level, which approximately equals the cost of regulating the occupation. The enforcement costs mentioned above make fees very volatile. A 1997 legislative audit directed the division to set fees incorporating professions' surpluses and deficits from prior years. The audit also recommended strictly applying the fee law and requiring each of the division's 130 professions to pay their own costs rather than accounting at the board/program level. The result of a strict legal interpretation would be even greater variation in fees for small professions. Due to Alaska's small population, many professions have fewer than 200 members to share costs.

Major Component Accomplishments in 2001

BUSINESS LICENSING:

- Modified business licensing database and Internet program to provide for foreign mailing address, allowing foreign applicants to purchase a license via the Internet.
- Revised business license application forms to meet new statutory requirements for issuance of tobacco endorsement to each location and outlet.
- Participated in multi-departmental Tobacco Workforce efforts to coordinate and share licensing information to assist tobacco enforcement efforts.
- Issued or renewed 5,000 business licenses through the Internet.

OCCUPATIONAL LICENSING:

- Added information about disciplinary actions against specific licensees to division web pages.
- Prepared a computer program for online renewal of architect, engineer and land surveyor licenses.
- Added booklets of statutes and regulations for various occupations to the division web site.
- Worked with the homebuilding industry to revise the residential contractor continuing education regulations to increase course subjects and sponsors.
- Wrote regulations governing licensure of practitioners of Tattooing and Permanent Cosmetic Coloring, and Body Piercing, and wrote a licensing examination.
- Switched from paper and pencil to national computerized examinations for psychology, marriage and family therapy and veterinary licensure.
- Adopted regulations establishing a list of criminal convictions that bar nurses and nurse aides from licensure.
- Updated regulations establishing standards for quality review of public accountants' financial audits.
- Rated best in the nation by Public Citizen for medical enforcement.
- Began accepting credit card payments through the mail and in-person for certain license transactions.

Statutory and Regulatory Authority

The Division of Occupational Licensing operates under the following authorities:

AS 08.01	CENTRALIZED LICENSING
AS 08.02	Miscellaneous Provisions
AS 08.03	Termination, Continuation and Reestablishment of Regulatory Boards
AS 08.04	Board of Public Accountancy
AS 08.13	Board of Barbers and Hairdressers
AS 08.20	Board of Chiropractic Examiners
AS 08.29	Board of Professional Counselors
AS 08.36	Board of Dental Examiners
AS 08.48	State Board of Registration for Architects, Engineers and Land Surveyors
AS 08.62	Board of Marine Pilots

AS 08.63	Board of Marital and Family Therapy
AS 08.64	State Medical Board
AS 08.65	Board of Certified Direct Entry Midwives
AS 08.68	Board of Nursing
AS 08.71	Board of Dispensing Opticians
AS 08.72	Board of Examiners in Optometry
AS 08.80	Board of Pharmacy
AS 08.84	State Physical Therapy and Occupational Therapy Board
AS 08.86	Board of Psychologist and Psychological Associate Examiners
AS 08.87	Board of Certified Real Estate Appraisers
AS 08.88	Real Estate Commission
AS 08.95	Board of Social Work Examiners
AS 08.98	Board of Veterinary Examiners
AS 08.06	Regulation of acupuncturists
AS 08.11	Regulation of audiologists and speech-language pathologists
AS 08.24	Regulation of collection agencies
AS 08.92	Regulation of concert promoters
AS 08.18	Regulation of construction contractors
AS 08.38	Regulation of dietitians and nutritionists
AS 08.40	Regulation of electrical and mechanical administrators
AS 08.54	Regulation of guide-outfitters
AS 08.42	Regulation of morticians
AS 08.45	Regulation of the practice of naturopathy
AS 08.70	Regulation of nursing home administrators
AS 08.02.011	Regulation of professional geologists
AS 08.55	Regulation of hearing aid dealers
AS 43.70	Regulation of Business Licenses
AS 05.05; 05.10	Athletic Commission
AS 46.03.375	Certification of Storage Tank Workers
AS 08.02.025	Student Loan Default Program
AS 25.27.244	Child Support Enforcement Program
AS 44.62	Administrative Procedure Act
AS 44.33.020	Department of Community & Economic Development

Federal Laws:

42 CFR 431, 433 and 483	Nurse Aide Registry
42 CFR 442 and 45	Nursing Home Administrators
12 U.S.C. 3338	Real Estate Appraiser

State Regulations:

12 AAC 02 - 12 AAC 75	Administrative Regulations
12 AAC 12	Business Licensing Regulations
18 AAC 78	Underground Storage Tank Workers

Key Performance Measures for FY2003

Measure:

The time taken to respond from the filing of a licensing law complaint to the conclusion of the case.
Sec 36(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The following chart shows the number of investigations opened and closed for each licensing program for the past three years. The bottom lines state the average and median age of the closed cases.

Investigations are opened in response to citizen complaints, division inspections, questionable license applications and information received from outside sources. Cases are closed when the division determines that no formal charge

will be made against the party, when disciplinary action is taken, or when a hearing determines the licensee did not violate the law.

Among cases closed in FY99, 63 had been open for more than three years. In FY00, 35 of the closed cases had been open for more than three years. In FY01, 25 of the closed cases had been open for more than three years. 66 of the division's current cases have been open longer than three years.

During FY01 and FY02, the division created computer programs to track case age as well as the status of cases once they reach the Department of Law.

The division will continue to work to reduce the length of time it takes to file a formal accusation, determine that no disciplinary action is warranted, or enter a disciplinary agreement. The division target is to complete the above steps in less than 24 months in 90% of cases and in less than 36 months in 95% of the cases.

	FY99		FY00		FY01	
PROGRAM	OPENED	CLOSED	OPENED	CLOSED	OPENED	CLOSED
ACUPUNCTURE	0	1			6	3
ARCHITECTS/ENGINEERS/LAND SRVY	23	10	34	52	22	30
ATHLETIC COMMISSION					2	2
AUDIOLOGIST					0	0
BARBER/HAIR DRESSER	23	22	23	16	25	15
BUSINESS LICENSE	1	16	33	3	0	12
CERTIFIED PUBLIC ACCOUNTANCY	3	3	21	20	6	4
CHIROPRACTORS	5	8	13	6	32	26
CLINICAL SOCIAL WORKERS	7	2	5	12	13	10
COLLECTION AGENCIES	4	5	4	3	8	6
CONCERT PROMOTERS					0	0
DENTAL	29	13	12	22	14	11
DIRECT ENTRY MIDWIVES	2	1	0	2	2	1
DISPENSING OPTICIANS	4	4	2	2	1	0
ELECTRICAL ADMINISTRATOR	5	8	2	1	0	1
GENERAL CONTRACTOR	4	4	10	7	4	3
GEOLOGISTS					0	0
GUIDE OUTFITTERS	50	32	37	56	23	3
HEARING AID DEALERS	2	1	3	1	2	2
MARINE PILOT	11	14	1	0	4	2
MARRIAGE/FAMILY THERAPISTS	3	14	1	2	5	2
MECHANICAL ADMINISTRATOR	2	3	1	0	1	0
MEDICAL	119	115	170	109	157	107
MOBILE HOME DEALERS			0	0	N/A	N/A
MORTICIAN	1	2	2	1	1	0
NATUROPATH	1	0	4	3	1	1
NURSING	57	43	96	64	106	76
NURSING HOME ADMINIS	1	1			2	1
OPTOMETRISTS	0	2	5	3	1	1
PHARMACISTS	13	9	4	10	13	9
PHYSICAL/OCCUPATIONAL THERAPISTS	10	4	6	8	2	6
PROFESSIONAL COUNSELOR	N/A	N/A	2	0	16	9
PSYCHOLOGISTS	12	11	14	13	11	11
REAL ESTATE	53	123	41	67	35	38
REAL ESTATE APPRAISERS	10	3	3	8	6	7
UNDERGROUND STORAGE TANK	0	1	1	1	0	0
VETERINARIAN	10	7	6	6	14	11
TOTALS	465	482	556	498	535	410
Closed by License Action		110		147		144
Median age of closed cases		250 days		185 days		164 days
Average age of closed cases		460 days		294 days		361 days

cases

Benchmark Comparisons:

The points at which investigations are considered opened and closed, the types of licensing programs administered and the agency's role in investigations vary substantially among states.

The Colorado Department of Regulatory Agencies Division of Registrations completed 701 cases in FY01. The average number of days their cases were open was 169. However, complaints are reviewed by licensing boards or their designees before they are opened and cases are considered closed when they are returned to the boards that decide whether to refer the cases to their Department of Law for prosecution. Therefore, the time spent in legal preparation and hearings is not included in Colorado statistics.

The Virginia Department of Health Professions referred 499 cases to their boards during the fourth quarter of FY01. The median number of days cases were investigated prior to board referral ranged from 51 days for mortuary cases to 191 days for pharmacy cases. Once again, the time required for disciplinary proceedings is not included in the statistics.

Background and Strategies:

Many factors affect the length of time a specific case remains open including: the priority the division gives to the case based on risk to public health and safety, the overall division case load, the complexity of the investigation, the availability of Department of Law legal services, the hearing officer's schedule, court action and the action of the licensee under investigation. Quick closure of cases cannot be an isolated goal, because investigative thoroughness is also essential to protect consumers. The number of cases closed with license/disciplinary action should also be taken into account.

Measure:

Whether the division increases the number of opportunities to take occupational licensing examinations by at least 25 percent in the fiscal year ending June 30, 2003.

Sec 36(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Many professionals cannot qualify for licenses without first passing an exam. Exams must be conducted properly and securely to render accurate results.

When the division recommended this measure, the division intended it to apply only to division-controlled written exams. These include the written licensing examinations for the following professions: barbers, hairdressers, estheticians, guides, game management units, electrical administrators, mechanical administrators and residential contractors. These exams are generally offered quarterly.

The division increased the number of locations in which guide exams were offered, but did not reach the goal of offering all the above exams monthly in Fairbanks, Anchorage and Juneau. The division target for FY02 is to create a workable plan to increase the frequency with which these exams are offered in FY03.

Benchmark Comparisons:

The frequency of exams in other large-area/ small-population states is unknown. The best measure of Alaska's progress is whether exam opportunities meet the needs of Alaskans.

Background and Strategies:

The division recommends revising this measure to state, "Whether the division provides adequate opportunities for Alaskans to take occupational licensing examinations." This wording would better reflect the style and purpose of the division's other measures.

The division initially intended to designate a clerk in Anchorage and Fairbanks who would administer exams one day each week and supervise additional private proctors. This would have resulted in the Fairbanks office being closed to the general public on Fridays. The division has had difficulty carrying out this plan due to staff vacancies and an underestimation of the staff time required.

Measure:

The percentage of complaints per license classification.
 Sec 36(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The following chart shows the number of license holders and the number of new investigations opened for each licensing program for the past three years.

The majority of cases are opened in response to citizen complaints against license holders or individuals practicing without a required license. A case is not opened if a complaint is received regarding a matter over which the division and its associated boards clearly do not have jurisdiction, for example a billing dispute. The division also opens cases on its own initiative when inspections reveal violations of law, when license applications contain questionable information or when information reaches the division through a means other than a citizen complaint.

The division target is to track complaint and investigation trends and report them to licensing boards so they can determine whether changes in regulation of professions are warranted. During FY02, the division will develop systems to track and report the sources and types of complaints.

Board/Commission/Occupation:	FY 1999		FY 2000		FY 2001	
	Licensees	# of Cases	Licensees	# of Cases	Licensees	# of Cases
Acupuncture	36	0	44	0	50	6
AELS	5,275	23	4,994	34	5,395	22
Athletic Commission	128	0	134	0	160	2
Audiology	42	0	46	0	39	0
Barbers & Hairdressers	3,738	23	3,197	23	3,619	25
Chiropractors	184	5	196	13	186	32
Clinical Social Workers	255	7	197	5	292	13
Collection Agencies	295	4	259	4	386	8
Concert Promoters	11	0	16	0	7	0
Construction Contractors	6,069	4	6,109	10	6,272	4
Dental	889	29	954	12	1,080	14
Dietitians	0	0	80	0	104	0
Direct Entry Midwives	17	2	22	0	21	2
Dispensing Opticians	110	4	103	2	75	1
Electrical Administrator	718	5	668	2	708	0
Guide-Outfitters	1,898	50	1,870	37	2,262	23
Hearing Aid Dealers	22	2	25	3	18	2
Marine Pilots	81	11	85	1	80	4
Mechanical Administrator	547	2	484	1	521	1
Marital & Family Therapy	119	3	124	1	100	5
Medical	2,252	119	2,535	170	2,333	157
Mortuary Science	125	1	133	2	104	1
Naturopaths	21	1	20	4	23	1
Nursing/Nurse Aide	10,367	57	10,249	96	9,816	106
Nursing Home Administrators	58	1	68	0	55	2
Nutritionists	0	0	1	0	2	0
Optometry	104	0	112	5	107	1
Pharmacy	1,164	13	1,072	4	1,440	13
Physical/Occupational Therapy	599	10	535	6	660	2
Professional Counselors	0	0	119	2	327	16
Psychology	214	12	192	14	170	11
Public Accountancy	919	3	854	21	951	6
Real Estate	2,072	53	1,852	41	1,955	35
Real Estate Appraisers	161	10	155	3	126	6
Speech Pathologist	0	0	0	0	86	0

Storage Tank Workers	244	0	169	1	179	0
Veterinary	300	10	323	6	318	14
Sub-Total:	39,034	464	37,996	523	40,027	535
Business Licensing	76,936	1	73,540	33	73,617	0
Geologists	500	0	517	0	525	0
TOTAL:	116,470	465	112,053	556	114,169	535

Courtesy and temporary licenses not included.

Benchmark Comparisons:

This measure was created in the FY02 budget bill. During FY02, the division will gather information from other states for benchmark comparisons.

Background and Strategies:

An increase in the percentage of investigations per license holder in a particular profession does not necessarily indicate a decline in professional performance or customer satisfaction. Publicity and division resources to pursue cases both encourage citizens to report incidents. Also, case loads increase when division investigators can be proactive by conducting inspections and engaging in community outreach. Finally, allegations of practice by individuals who do not have required licenses are included in case statistics.

Occupational Licensing

Component Financial Summary

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	3,546.0	3,810.8	4,321.7
72000 Travel	275.5	308.4	308.4
73000 Contractual	1,969.2	2,722.9	2,800.6
74000 Supplies	113.4	79.7	79.7
75000 Equipment	157.5	79.6	75.6
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	6,061.6	7,001.4	7,586.0
Funding Sources:			
1005 General Fund/Program Receipts	527.4	545.0	556.9
1007 Inter-Agency Receipts	137.5	280.1	283.6
1040 Real Estate Surety Fund	85.3	273.8	253.0
1053 Investment Loss Trust Fund	75.9	0.0	0.0
1108 Statutory Designated Program Receipts	7.8	0.0	0.0
1156 Receipt Supported Services	5,227.7	5,902.5	6,492.5
Funding Totals	6,061.6	7,001.4	7,586.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	3,627.5	3,625.0	3,625.0	3,625.0	4,625.0
Unrestricted Total		3,627.5	3,625.0	3,625.0	3,625.0	4,625.0
Restricted Revenues						
Interagency Receipts	51015	137.5	280.1	280.1	283.6	280.2
General Fund Program Receipts	51060	527.4	545.0	545.0	556.9	556.9
Statutory Designated Program Receipts	51063	7.8	0.0	0.0	0.0	0.0
Receipt Supported Services	51073	5,227.7	5,902.5	5,902.5	6,492.5	6,462.2
Real Estate Surety Fund	51360	85.3	273.8	273.8	253.0	253.0
Investment Loss Trust Fund	51393	75.9	0.0	0.0	0.0	0.0
Restricted Total		6,061.6	7,001.4	7,001.4	7,586.0	7,552.3
Total Estimated Revenues		9,689.1	10,626.4	10,626.4	11,211.0	12,177.3

Occupational Licensing

Proposed Changes in Levels of Service for FY2003

Strengthening Investigative Unit. The primary goal of the division in FY03 will be to restructure and support the Investigative Unit. The Investigative Unit has grown from six investigators to fourteen as the number of licensing programs, the number of license holders and the complexity of cases have expanded. The growth of the Investigative Unit and its responsibilities means that the Chief Investigator can no longer directly supervise all investigators and give each case the necessary oversight. Supervision is important because of the impact of investigative decisions on the life of the accused and the safety of the public. The legislature recognized the importance of the Investigative Unit when it created a budget measure focused on investigative efficiency. The division would like to establish a senior investigator position to oversee the work of a section of the unit. The division also requests a technician position to assist all the investigators in tracking and organizing their caseload. Funding would be from receipt supported services.

Revision of Licensing Staff Classification for Pay Equity. The class specifications and compensation for Occupational Licensing Examiners have not been significantly adjusted or reviewed in over twenty-five years. The work descriptions in the specifications harken back to the era of typewriters and depict the work in clerical terms that may reflect gender bias. Today, Occupational Licensing Examiners generally serve as the primary staff person for one or more statewide licensing programs and the sole support for licensing boards. The Department of Administration expects to complete a classification study of the Occupational Licensing series in November. Funding would be from receipt supported services.

Support of Board of Nursing. The Board of Nursing licenses over 10,000 nurses, advanced nurse practitioners and certified nurse aides, representing over 25% of the division's licensees. Board responsibilities have become increasingly complex and challenging due to the mobility of the workforce, changes in healthcare delivery, public protection expectations and expansion of the nurse aides certification program. The Board cannot meet the needs of the healthcare industry and fulfill its public safety responsibilities without reorganization and expansion of its staff. The Board has requested the following increments:

- Establish and fund an Investigator III to create a second nurse investigator. 106 new Board of Nursing investigations opened during FY01.
- Establish and fund a Nurse III to assist the executive administrator of the Board of Nursing at a professional level and provide focus on nurses impaired by substance abuse.
- Establish and fund a Licensing Examiner (range 14B) to certify the increasing number of nurse aides and to handle the additional work when temporary nurse aide certification is created to provide time for criminal justice fingerprint checks.
- Provide funding for Criminal justice reports on nurse and nurse aide applicants based on fingerprint checks by DPS and the FBI. The Department of Public Safety charges \$59 for each state/federal fingerprint check. The Board of Nursing believes that criminal background checks are necessary to protect the public and will, therefore, adopted regulations requiring fingerprint checks during its September 19 meeting.

Funding would be from receipt supported services.

Establish a Nurse III position to directly administer the Colleagues in Caring program. The program is currently administered by the University of Alaska through an RSA from the division. In FY01, the division received 140.0 in expenditure authority to support Colleagues in Caring, which is a consortium of nursing employers, educators and regulators dedicated to ensure an adequate supply of properly-trained nursing professionals. The Board believes it can deliver the best program by bringing Colleagues in Caring directly under the Board, following the model of other states. 78.9 will remain in contractual services to support Board Colleagues in Caring activities.

Increase Existing Part-time Real Estate Licensing Examiner to Full time. The real estate industry has been consolidating, resulting in an increased number of transfers between offices, broker changes and other actions requiring license processing. The nature of the business and the amounts of money involved in transactions mean that rapid response by the division is demanded. The Real Estate Commission decided at its September 14 to reallocate a portion of the Real Estate Surety Fund expenditure authority to its licensing function to make the licensing examiner a full-time position.

Public Accountancy Exam Price Increase. The organization that writes the national Certified Public Accountancy Examination has announced that the price the division is charged for each copy of the exam will double in FY03. The division spent \$30.3 purchasing CPA exams in FY01 and anticipates spending \$60.6 in FY03. Applicants for licenses pay the division for the exams, but the division expenditure authority needs to be increased to cover this expense.

Rent Increase . An increment is requested to cover rent increases in FY03 in the State Office Building in Juneau. This request is to be funded with fees through receipt supported services.

Summary of Component Budget Changes
From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	545.0	0.0	6,456.4	7,001.4
Adjustments which will continue current level of service:				
-Year 3 Labor Costs - Net Change from FY2002	11.9	0.0	122.4	134.3
Proposed budget decreases:				
-Reduce one time costs for Tobacco Sales CH88 SLA2001(HB228)	0.0	0.0	-4.0	-4.0
Proposed budget increases:				
-State Office Building Rent Increase	0.0	0.0	23.1	23.1
-Strengthening Investigative Unit	0.0	0.0	114.8	114.8
-Board of Nursing Support	0.0	0.0	286.1	286.1
-Public Accountancy Exam Price Increase	0.0	0.0	30.3	30.3
FY2003 Governor	556.9	0.0	7,029.1	7,586.0

Occupational Licensing

Personal Services Information

Authorized Positions		Personal Services Costs		
	<u>FY2002</u>	<u>FY2003</u>		
	<u>Authorized</u>	<u>Governor</u>		
Full-time	72	79	Annual Salaries	3,282,665
Part-time	1	0	COLA	78,103
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	1,248,679
			Less 6.24% Vacancy Factor	(287,747)
			Lump Sum Premium Pay	0
Totals	73	79	Total Personal Services	4,321,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	0	0	1	0	1
Accounting Tech II	0	0	1	0	1
Administrative Assistant	1	0	0	0	1
Administrative Clerk I	0	0	2	0	2
Administrative Clerk II	5	0	2	0	7
Administrative Clerk III	2	1	6	0	9
Administrative Coordinator	0	0	1	0	1
Administrative Manager II	0	0	1	0	1
Analyst/Programmer III	0	0	1	0	1
Analyst/Programmer IV	0	0	1	0	1
Criminal Justice Technician II	0	0	1	0	1
Division Director	0	0	1	0	1
Exec Sec Bd of Nursing	1	0	0	0	1
Exec Sec State Med Bd	1	0	0	0	1
Exec Secretary Rec	1	0	0	0	1
Health Program Associate	1	0	0	0	1
Hearing Examiner	1	0	0	0	1
Investigator III	14	0	2	0	16
Investigator IV	1	0	0	0	1
Law Office Assistant I	1	0	0	0	1
Licensing Examiner	0	0	1	0	1
Marine Pilot Coord	0	0	1	0	1
Nurse III	0	0	2	0	2
Occ Lic Exam I	1	0	17	0	18
Paralegal Asst II	0	0	1	0	1
Prog Coordinator	0	0	1	0	1
Publications Spec II	1	0	0	0	1
Records & Licensing Spvr	0	0	2	0	2
Regulations Spec II	0	0	1	0	1
Secretary	0	0	1	0	1
Totals	31	1	47	0	79